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FM AMEMBASSY PRETORIA

TO RUEHC/SECSTATE WASHDC 7035

INFO RUEHTN/AMCONSUL CAPE TOWN 6483

RUEHJO/AMCONSUL JOHANNESBURG 8825

RUEHDU/AMCONSUL DURBAN 0607

RUEAUSA/DEPT OF HHS WASHDC

RUEHPH/CDC ATLANTA GA 2429

RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE

UNCLAS SECTION 01 OF 02 PRETORIA 000099

USAID FOR BUREAU OF GLOBAL HEALTH AND AFR/SA
HHS/PHS FOR OFFICE OF GLOBAL HEALTH AFFAIRS WSTEIGER
CDC FOR GLOBAL HEALTH OFFICE SBLOUNT
NIH FOR JHERRINGTON

SENSITIVE BUT UNCLASSIFIED

SIPDIS

E.O. 12958: N/A

TAGS: TBIO PGOV EAID KHIV SF ZI

SUBJECT: THE AMBASSADOR MEETS MINISTER OF HEALTH - FINALLY

Ref: 08 Pretoria 2135

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¶1. (SBU) Summary: The Ambassador had a productive meeting with Minister of Health Barbara Hogan January 19 on the eve of his departure from post. The Ambassador conveyed his frustration that he had not been able to meet with the Minister's predecessor, emblematic of challenges in working with the Ministry under the previous minister. Minister Hogan thanked the Ambassador and the USG for their perseverance in fruitfully implementing the PEPFAR program in South Africa. She agreed on the need to meet quickly and often to coordinate programs, harmonize donors, and aim for sustainability. The Minister stated that all the provinces were experiencing unprecedented funding crises and shortages of antiretrovirals. End Summary.

New Minister - New Day

¶2. (SBU) The Ambassador's meeting with Minister of Health Barbara Hogan on January 19 on the eve of his departure showed that our bilateral relationship in the health sector has moved on the right track since her appointment last September. The Ambassador noted the importance of the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) program in South Africa, which reached about \$600 million this year. He noted that early in his tenure he had been successful in persuading President Bush to significantly increase the program in South Africa given the extent of the epidemic there. The Ambassador noted that South Africa is the largest PEPFAR recipient, receiving \$1.5 billion over the last five years. He stated that his and congressional delegations' inability to meet with the former Minister was emblematic of the total lack of cooperation from the Ministry at that time, forcing the USG to work in a vacuum, in effect, circumvent the Ministry, and work directly with Provincial and local partners. The Ambassador emphasized that this state of affairs was not desirable and he stated that the USG sought greater collaboration and information exchange to achieve appropriate sustainability. He said that funding would likely decrease over time, but not precipitously.

¶3. (SBU) Minister Hogan, who was accompanied by special advisors Fatima Hassan and Dr. Nicholas Crisp, thanked the Ambassador for the USG support, even thanking the USG for its persistence during the "unfortunate period" under the previous regime. She gave special acknowledgment of USG support for the increased roll-out of antiretrovirals (ARV). Hogan fully embraced the Ambassador's request for frequent discussions at the staff level to coordinate

programs and donor activities, aiming for sustainability. She expressed interest in more discussion on defining what everyone means by and how we measure sustainability. In addition, she called for increased donor harmonization to reduce risk of duplication of efforts, to which the Ambassador fully agreed.

Way Forward

¶4. (SBU) Health Attaché stated the USG sought to transition from service delivery to technical assistance and training in support of South African initiatives, accompanied by a measured decrease in funding. The Ambassador reassured that the decrease would be based on collaboration and consensus and not precipitous, but would be based on the need for South Africa to use its own resources and take more ownership. He emphasized that the USG would not "make decisions without you", but would rather reach mutually-endorsed decisions and approaches. Health Attaché noted that the second five-year PEPFAR program aimed to establish a partnership compact with each country, identifying needs, capacity, and goals. The Minister agreed that it would be useful to start discussions in this area.

¶5. (SBU) Special Advisor Fatima Hassan reiterated appreciation for USG contributions and called for collaborative monitoring and evaluation of efforts in the public, private, and not-for-profit sectors. In addition, she called for sharing data and identifying indicators to improve monitoring. Hassan and the Minister made frequent mention of the new bilateral country-level team, which would identify priorities and augment coordination consistent with the national strategic plan.

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New Funding Challenges

¶6. (SBU) The Minister noted that the global financial crisis was adversely affecting economic growth and credit access and had precipitated an unprecedented funding crisis in all the provinces. Special Advisor Dr. Nicholas Crisp said this problem would necessitate a 10 percent cut in health budgets to balance funding gaps, which could negatively affect service and ARV delivery. The Ambassador observed that the USG had helped out with funding for ARVs this year in Free State and last year in Western Cape, noting that we could again be helpful as long as there were assurances of good management practices and that funds were being spent well. The Minister agreed with the need for appropriate oversight and noted that assessment teams were still analyzing the cost drivers and provincial expenditures for her. In addition, she has established a Ministerial advisory committee to facilitate bringing the health care system to where it should be.

Zimbabwe and the Border

¶7. (SBU) The Ambassador shared observations and expressed concerns from his recent travels to Harare, Zimbabwe and to the South African-Zimbabwe border in Limpopo to assess the status of the cholera epidemic. The Minister agreed that the epidemic and collapse of the Zimbabwean health care system was a tragedy, further noting the lamentable politicization and partisanship of health care provision in Zimbabwe. She noted that the problem was not limited to cholera, but included TB and HIV among others, possibly leading to increased drug-resistant TB and HIV, for example. She sought to find ways to deliver care into the hinterland and had cautious optimism for a SADC initiative to facilitate the distribution of humanitarian assistance. Hogan emphasized that, from a health perspective, it was preferable to facilitate legal entry of Zimbabweans fleeing their country into South Africa and that she had initiated discussions with the Departments of Home Affairs and

Safety and Security. She proposed that donors work together to subsidize unpaid salaries for health professionals in Zimbabwe to help get hospitals and clinics up and running again.

¶8. (SBU) COMMENT: The Minister did not hesitate to apologize for the mismanagement and lack of communication from her predecessor's Ministry. She was effusive in thanking the Ambassador for his efforts personally and the efforts of the USG to implement the significant PEPFAR program. South African provinces now face critical funding gaps, changing the old perception that the country has adequate financial resources, but only suffers technical, management, and implementation capacity gaps. The Minister's strong financial background and fresh perspective will continue to be a positive in moving the MOH forward in partnership with PEPFAR. In parting, the Ambassador presented the Minister with the book, "Building Diplomacy, the Architecture of American Embassies."

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